



*Report and Accounts  
for year ended  
30th June 1997*

## CHAIRMAN'S REPORT

For the year ended 30th. June 1997, Opera Ireland presented *La Bohème*, *L'elisir d'amore*, *The Marriage of Figaro* and *Macbeth* in the Gaiety Theatre and, in association with RTE, *The Gypsy Baron* in the National Concert Hall. Audience attendance figures continued to grow with an average occupancy of 94% being recorded for the year.

Of the five productions, four were new i.e. created specifically for Dublin with one, *L'elisir d'amore* being subsequently sold to the Royal Opera, Copenhagen. The year's presentations received high critical acclaim. Robert Hartford, writing in *Opera Now* said of the Spring Season; "Perceptive casting, excellent preparation and a huge input of musical ability took Opera Ireland to the high ground, with a couple of performances that would have graced any operatic centre, anywhere".

However the financial results for the year were much less satisfactory. The annual accounts show an operating deficit of £71,631. This deficit was caused by a combination of a shortfall in sponsorship income coupled with some over-runs on expenditure which were unavoidable if we were to maintain high standards of production. However, on a more positive note, the Development Fund increased by £64,305, thereby almost wiping out the operating shortfall for the year.

During the year, the Company appointed Dieter Kaegi as Artistic Director. This appointment will commence with the Winter 1997 season of *The Merry Widow* and *Eugene Onegin*. On behalf of the board of directors I wish Mr. Kaegi every success in his endeavours on our behalf.

And finally, I express my sincere gratitude to all our subscribers and sponsors for their financial assistance and encouragement. I am most heartened by the continuing support of the Arts Council and RTE which, together with a committed executive team, allows the Company to face the future with confidence.

**Frank O'Rourke**  
*Chairman*



# **REPORT & ACCOUNTS**

**Year Ended 30 June 1997**

**SECTION 1**

## **DIRECTORS REPORT**

The directors submit their report and financial statements for the Year Ended 30 June 1997.

## **PRINCIPAL ACTIVITIES AND FINANCIAL SUMMARY:**

There were two operatic seasons in the year under review, incorporating four productions over nineteen performances at the Gaiety Theatre. In addition the Company presented five performances of a co-production with RTE in the National Concert Hall. An operating deficit of IR£71,631 was recorded for the year, resulting mainly from a temporary decrease in sponsorship income. The Board of Directors are confident that the Company can generate adequate income to support the planned activities for the year ahead.

A Capital Reserve Fund of IR£139,305 has been accumulated through significant contributions from our sponsors and a corresponding input by the Arts Council. The purpose of the Fund is to address the accumulated deficit which the Board are determined to eliminate over the coming years. This Capital Reserve Fund has been assigned towards a reduction in the accumulated deficit as at 30 June 1997.

There have been no significant events effecting the company since the period end.

## **STATEMENT OF DIRECTORS RESPONSIBILITIES:**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of its results for that period. In preparing these financial statements, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements have been made. Financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business. Applicable accounting standards have been followed. The directors are responsible for maintaining adequate accounting records and for safeguarding the assets of the company.

## **HEALTH & SAFETY OF EMPLOYEES:**

It is the Company's policy to maintain a safe and healthy working environment and the requirements of the Safety Health and Welfare Act, 1989 are kept under review.

## **AUDITORS:**

The auditors Leonard & Company have indicated their willingness to continue in office in accordance with Section 160(2) Companies Act 1963.

The Accounts were approved by the Board of Directors on 23 September 1997 and were signed on its behalf by -

**Frank O'Rourke** - Director

**Adrian Burke** - Director

**AUDITORS REPORT -**  
**TO THE MEMBERS OF DUBLIN GRAND OPERA SOCIETY CO.**  
*(A Company Limited by Guarantee and not having a Share Capital)*

We have audited the financial statements on Sections III to VI which have been prepared under the historical cost convention and on the basis of the accounting policies set out on Section V.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on Section I the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud, irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1997 and of its results for the period then ended and have been properly prepared in accordance with the Companies Acts 1963 to 1990.

# Dublin Grand Opera Society Company

*(A Company Limited by Guarantee and not having a Share Capital)*



The Accounts shows a reduced accumulated deficit of IR£152,968 at 30 June 1997. The Balance Sheet on Section IV reveals an excess of liabilities over assets but the financial statements have nevertheless been prepared on the Going Concern Basis. The Directors have assured us that adequate ongoing support from the Arts Council and the Sponsors will enable the company to continue to trade.

We have obtained all the information and explanations we consider necessary for the purpose of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the director's report on Section I is consistent with the financial statements.

4 Lower Dundrum Road,  
Dublin 14.

24 September 1997

LEONARD & COMPANY

Chartered Certified Accountants

Registered Auditors.

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# **PROFIT AND LOSS ACCOUNT** **Year Ended 30 June 1997** **SECTION III**

1996	1997	NOTES
IR£	IR£	IR£
12 Mths	12 Mths	
404,905	420,465	
<b>BOX OFFICE RECEIPTS:</b>		

427,756	465,867	People Related Costs (Schedule 1)
404,437	459,960	Production Related Costs (Schedule 2)
183,183	194,307	Administration Costs (Schedule 3)
1,015,376	1,120,134	
	(1,120,134)	
<b>EXPENDITURE:</b>		

(610,471)	(699,669)	<b>OPERATING DEFICIT:</b>
617,970	628,038	OTHER INCOME: (Schedule 4)
7,499	(71,631)	<b>NET SURPLUS / (DEFICIT) RETAINED</b>
(228,141)	(220,642)	Opening Accumulated Deficit
-	139,305	Credit from Capital Reserve 4
(220,642)	(152,968)	<b>ACCUMULATED DEFICIT AT YEAR END</b>

Approved by the Board of Directors on 23 September 1997 and signed on its behalf by:

**Frank O'Rourke**

**Adrian Burke**

*Directors.*

# Dublin Grand Opera Society Company

(A Company Limited by Guarantee and not having a Share Capital)



## BALANCE SHEET as at 30 June 1997

## SECTION IV

30.6.'96 IR£		NOTES	IR£	30.6.'97 IR£
10,302	<b>TANGIBLE FIXED ASSETS</b>	5		24,586
	<b>CURRENT ASSETS</b>			
68,194	Cash on Hand		97,766	
21,249	Debtors & Prepayments		11,706	
Nil	Arts Council - Grant Balance Due		75,000	
89,443			184,472	
	<b>CURRENT LIABILITIES</b>			
10,063	Bank Overdraft		117,795	
47,424	Creditors & Accruals		52,132	
12,900	Arts Council - Loan	6	9,899	
175,000	Arts Council - Deferred Grant	6	175,000	
245,387			354,826	
(155,944)	<b>NET CURRENT LIABILITIES</b>		(170,354)	(170,354)
(145,642)	<b>TOTAL NET LIABILITIES</b>			(145,768)
	REPRESENTED BY :			
-	<b>ARTS COUNCIL DEFERRED GRANT</b>			7,200
(220,642)	<b>ACCUMULATED DEFICIT</b>			(152,968)
75,000	<b>CAPITAL RESERVE FUND</b>	4		Nil
(145,642)				(145,768)

Approved by the Board of Directors on 23 September 1997 and signed on its behalf by:

**Frank O'Rourke**

**Adrian Burke**

*Directors.*

# NOTES TO THE FINANCIAL STATEMENTS

**Year Ended 30 June 1997**

## SECTION V

### ACCOUNTING POLICIES

- (a) The attached Accounts are prepared under the historical cost convention.
- (b) Revenue grants receivable from the Arts Council represent a significant source of income for the company. Grants awarded in respect of the calendar year are credited to the Profit & Loss Account on a time apportioned basis to 30 June, except for smaller "one-off" additional Revenue grants, which are credited to the period/project for which they were specifically awarded.
- (c) Capital grants receivable from the Arts Council are treated as deferred income. Annual credits are made to the Profit & Loss Account over the expected useful lives of the respective assets on a basis consistent with the depreciation policy.
- (c) Expenditure in respect of Costumes, Scenery, Sets and Props is written off fully in the year in which the expenditure is incurred, notwithstanding that they may be retained for the enduring benefit of the company.
- (d) Office Furniture and Equipment (20%) and Stage Equipment (20%) are depreciated on a straight line basis.
- (e) Where Sponsors have contributed goods and services other than in cash, the value of such sponsorship has been treated as sponsorship income with a corresponding amount allocated under the appropriate cost heading.
- (f) Patrons, Friends and Sponsors contributions and subscriptions are accounted for on the basis of cash received for the period.



**NOTES TO THE FINANCIAL STATEMENTS****Year Ended 30 June 1997****SECTION VI****NOTE 1: COMPANIES (AMENDMENT) ACT 1986**

The company is limited by guarantee without a share capital. In the opinion of the directors the Company is exempt from the provisions of the Companies (Amendment) Act 1986 under Section 2(i)(a) of that Act. The Accounts are therefore not presented in the format prescribed by that Act.

**NOTE 2: SURPLUS/(DEFICIT)**

The surplus/(deficit) for the period has been arrived at after charging:-

<b>1996</b>		<b>1997</b>
<b>12 Mths</b>		<b>12 Mths</b>
<b>IR£</b>		<b>IR£</b>
Nil	Directors Emoluments	Nil
7,099	Depreciation (net of amortised capital grant)	8,191
2,178	Auditors Remuneration	2,178
	and after crediting:	
350,000	Arts Council Revenue Grants (Note 6)	370,000

**NOTE 3: TAXATION**

No liability to Corporation Tax arises.

**NOTE 4: CAPITAL RESERVE FUND**

A capital reserve fund has been established to address the deficit carried forward from previous years. Specific contributions of IR£139,305 have been received to date for this purpose. The directors resolved to assign this reserve as at 30 June 1997 towards a reduction in the Accumulated Deficits

	<b>IR£</b>
Capital Reserve as at 30 June 1996	75,000
Increase in contributions - 1996/97	64,305
	<u>139,305</u>
Less Transfer to Accumulated Deficit	(139,305)
Capital Reserve as at 30 June 1997	<u>Nil</u>

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 30 June 1997

NOTE 5: TANGIBLE FIXED ASSETS

COST:	IR£	IR£	IR£
	Stage Equipment	Furniture & Equipment	Total

As at 01.07.1996	12,500	31,485	43,985
Additions	6,000	18,275	24,275
Disposals	-	-	-
As at 30.06.1997	18,500	49,760	68,260

DEPRECIATION :	12,500	21,183	33,683
At 01.07.1996	1,200	8,791	9,991
Charge for Period	13,700	29,974	43,674

NET BOOK VALUE	4,800	19,786	24,586
30.06.1997			
NET BOOK VALUE	Nil	10,302	10,302
30.06.1996			

NOTE 6: ARTS COUNCIL

The Company received Arts Council Revenue grant aid of IR£370,000 (1996: IR£350,000) and a capital grant of £9,000 (1996:Nil) in respect of the year to 30 June 1997. A further £35,000 (1996:£35,000) was credited to Capital Reserves. These grants may be repayable in certain circumstances.

The Directors are confident that the Arts Council will continue its support to the company for 1998. This support is essential for the ongoing viability of the organisation.

The loan from the Arts Council is interest free.

NOTE 7: CAPITAL

The Company is limited by guarantee and does not have Share Capital. The liability of each member cannot exceed IR£1.

NOTE 8: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 23 September 1997.

# Dublin Grand Opera Society Company

(A Company Limited by Guarantee and not having a Share Capital)



## FINANCIAL STATEMENTS

Year Ended 30 June 1997

### SECTION VII

#### SCHEDULE 1: PEOPLE RELATED COSTS

1996		1997
12 Mths		12 Mths
IR&		IR&
191, 974	Artistes	203, 567
700	Audition Costs	2, 747
	Conductors, Producers/Designers &	
75, 805	Repetiteurs	88, 218
53, 305	Orchestra	66, 206
25, 754	Production & Stage Managers	30, 460
14, 646	Travel-Artistes	16,146
63, 433	Accommodation - Artistes	49, 026
2,139	Ballet	5, 740
-	Recruitment Costs	3,757
<u>427, 756</u>		<u>465, 867</u>

#### SCHEDULE 2: PRODUCTION RELATED COSTS

1996		1997
12 Mths		12 Mths
IR&		IR&
186,512	Theatre Hire & Related Costs	182, 023
12,201	Rehearsal Room Rent & Related Costs	8,097
27,243	Costumes & Wardrobe	57,977
88,558	Scenery Sets & Props	121, 004
1,575	Royalties & Music Hire	6,404
-	Surtitle Operating Costs	3, 261
23,269	Freight & Storage	23,845
10,154	Entertainment	9,110
49, 062	Publicity & Promotion	46, 511
5,863	Production Sundries	1, 728
<u>404,437</u>		<u>459,960</u>



# FINANCIAL STATEMENTS

Year Ended 30 June 1997

## SECTION VII

### SCHEDULE 3: ADMINISTRATION COSTS

1996	12 Mths	IR£	1997	12 Mths	IR£
10,596	Postage & Telephone		12,205		
11,393	Printing & Stationery		11,815		
6,789	Bank Interest & Charges		4,088		
2,616	Office Equipment Leasing		2,285		
11,089	Credit Card Commission		11,780		
23,894	Professional Fees		18,152		
9,258	Insurance		13,487		
15,275	Office Rent & Expenses		19,673		
78,425	Salaries, Fees & Expenses		83,805		
3,613	Sundries		2,213		
7,099	Depreciation		8,191		
(1,000)	Surplus on Fixed Asset Disposal				
4,136	Fundraising Costs		6,613		
183,183			194,307		

### SCHEDULE 4:

1996	12 Mths	IR£	1997	12 Mths	IR£
350,000	Arts Council Grant		370,000		
-	Sale of Sets		14,399		
42,484	Patrons & Friends Subscriptions		38,662		
3,840	Members Public Appeal Fund		3,810		
15,581	Brochure Profits		17,860		
2,910	Donation from Ladies Committee		8,150		
201,523	Sponsors		175,157		
1,632	Commissions from Opera Tours		-		
617,970			628,038		

### OTHER INCOME